

He spoke
up for
Babi Yar
page 8

Price: IL2.15
(Including VAT)

DAY, SEPTEMBER 29, 1976 • TISHREI 5, 5737 • SHAWWAL 6, 1396 • VOL. XLVI, No. 13821

Israel pound
devalued by
1.8 per cent

The Israel pound was devalued by 1.8 per cent at midnight. This raises the exchange rate to the dollar from IL2.24 to approximately IL2.40. Exact rates in relation to individual currencies will be fixed today.

The latest change in the exchange rate of the pound was the 12th "creeping devaluation" since the system was instituted in June, 1975. At that time the dollar's exchange rate was IL6.

The last such devaluation was announced on August 25, when the pound was devalued by 1.5 per cent. According to the present arrangement the Ministerial Committee on Currency Valuation Changes may declare a devaluation more often than once in 30 days provided that the pound is not devalued by more than eight per cent within four months.

Last night's devaluation was the second since the Israel pound was nominally linked — on July 18 — to a "basket of currencies" rather than solely to the dollar. The "basket" comprises 35 U.S. cents, 0.1295 pounds sterling, 0.2187 Dutch florins, 0.6632 French francs and 0.5150 German marks.

Yesterday's exchange rate for sterling was IL3.57, florins, IL2.19; francs, IL1.68; and marks, IL3.32.

Syrians step up the pressure on PLO

By ANAN SAFADI

POST Middle East Affairs Correspondent

Syria yesterday moved a number of armoured spearheads into new positions north of the Beirut-Damascus highway in an apparent bid to pressure the Palestine Liberation Organisation (PLO) into withdrawing from the central mountain district. The Christians are demanding a PLO-leftist pullout from the strategic mountain zone as a pre-condition to proclaiming a nation-wide truce.

It was not clear whether the Syrians have coordinated the military movements with Lebanon's new President Elias Sarkis. The latter has suspended consultations to form a new government in order to devote himself to organizing a nation-wide truce.

The new Syrian military action has been overblown by the news agencies and radio stations connected with the various warring factions. The Syrian deployment in fact ap-

peared to be far from an all out offensive.

The Syrians were advancing sufficiently slowly to allow a retreat by the PLO-leftist forces without getting involved in a showdown. The Syrians, none the less, apparently intend pressing the PLO even harder, following Sunday's terrorist attack at the Semiramis hotel in the heart of the Syrian capital, Syria is keen to force the PLO-leftist alliance to accept a Damascus-tailored peace settlement in Lebanon under President Sarkis. If defied further, the Syrians are likely to increase their squeeze until they flush out the PLO-leftists from their mountain bases, leaving them only a few small enclaves along the coast.

PLO chief Yasser Arafat yesterday issued a cry for help to Arab kings and heads of state, and also to East European countries, citing Syria's latest "grave operations" and "new massacres". He said he was appealing for immediate intervention to stop the liqui-

dation of the PLO and the leftist camp.

In Damascus, a military spokesman tended to play down Syria's military move, saying that these were aimed at "cleaning up elements disrupting order and peace." The spokesman said that Syrian forces were supporting units of the Damascus-organized "Vanguards of the Lebanese Army" and the Syrian-controlled terrorist "Sa'aka" organization.

Christians said they were co-ordinating assaults of their own with the Syrian operation. They said that heavy artillery and tanks were being used.

In Cairo, President Anwar Sadat yesterday said that Damascus was now aiming at destroying the PLO, claiming that Syria's latest offensive was launched to achieve that end. Speaking on the sixth anniversary of the death of his predecessor, Gamal Abdul Nasser, Sadat also sniped at Libya and the Soviet Union for splitting Arab ranks.

Germany and Holland plead for Palestinians

UNITED NATIONS. — The West German and Dutch Foreign Ministers said in the UN General Assembly yesterday that the Middle East conflict could be solved only if the "rights of the Palestinian people" were recognized.

West German Minister Hans Dietrich Genscher said that the situation in the Middle East was a constant threat to world peace. His government regarded the right of the Palestinians "to establish a state authority" of their own and the right to Israel to live "within secure and recognized boundaries" to be the essentials of a Middle East peace settlement.

Genscher said that West Germany, like the rest of the European community, had a vital interest in a peaceful solution to the Arab-Israeli conflict, and was convinced that a solution was possible.

The Dutch Foreign Minister, Max van der Stoep, said that "a solution of the conflict in the Middle East will only be possible if the legitimate right of the Palestinian people to give effective expression to its national identity is translated into fact." Negotiations among the parties involved were essential for a settlement.

Van der Stoep, who is also president of the Council of Ministers of the European Communities, reaffirmed the support of the Common Market countries of Security Council resolutions 242 and 338.

He said there were four principles for a solution of the Arab-Israeli conflict: "the inadmissibility of the acquisition of territory by force; the need for Israel to end the territorial occupation which it has maintained since the conflict of 1967; respect for the sovereignty, territorial integrity and independence of every state in the area and their right to live in peace within secure and recognized boundaries; recognition that in the establishment of a just and lasting peace, account must be taken of the legitimate rights of the Palestinians."

The European community was prepared to assist the parties in the achievement of a settlement, and as soon as a settlement was approved "to help in making it a reality."

THE POST'S Diplomatic Correspondent writes: The PLO's "foreign minister" Farouk Kaddumi has failed so far in his bid to address the UN General Assembly along with the legitimate foreign ministers. Kaddumi's overtures have been rejected by Assembly President Shriyee Amarasinghe of Sri Lanka.

A number of leading Western states have been lobbying strenuously to ensure that the PLO effort is unsuccessful. The PLO, which has observer status at the Assembly, had sought to have Kaddumi speak as a matter of course, as though he were the representative of fully-fledged member-state.

Plan to fight hijackers

UNITED NATIONS. — The West German Foreign Minister told the UN yesterday that the taking of hostages is a threat to international relations. Minister Hans Dietrich Genscher called on the UN to enact a comprehensive international convention against terrorist hijackings.

"What is at stake is the protection of human beings, the sovereignty of states, the safety of international traffic and an international order free from violence."

Speaking in the General Assembly, Genscher urged all countries to unite in condemning the act of taking hostages as a "particularly abhorrent" crime affecting more than 500 million passengers travelling on airlines every year. Genscher formally requested that the question of punishing individuals who take hostages be included in the agenda of the current Assembly session as an "important and urgent matter."

Backed by the U.S., Japan and other West European countries, Genscher called for an international treaty that would ban the transportation of hostages across national boundaries and require countries to punish or extradite those who take hostages.

Because the taking of hostages was considered a particularly cruel act of violence, the Geneva Convention did not permit this act even as a means of warfare.

"It is an act offending the dignity, safety and fundamental rights of the individual person."

Many diplomats believe that the chances of action against air hijackers are excellent this year. They cite two reasons: the German initiative comes after a spate of widely-condemned hijackings, and the proposal is skillfully written in a way to overcome the emotional political impasse that has blocked such measures for the last four years.

Hijacking and other political terrorism has been on the agenda every year since the massacre of the Israeli athletes at the Munich Olympics in 1972. But the Assembly has been unable to take any action because the impetus for action has often been hijacking or other terrorist attacks by Palestinians.

By directing its proposed convention specifically against the taking of hostages, West Germany has significantly improved the chances for Assembly action.

The German proposal also avoids blanket condemnation of terrorism that might offend countries with conflicting interpretations of the word "terrorism."

"We've talked to well over 100 governments here and elsewhere, and I think we stand a fair chance of success," the West German envoy at the UN, Baron Rudiger von Wechmar, told newsmen. (AP) (France delaying adoption, page 4)

'The Post' confirms

The Egyptian state radio last night gave its own version of yesterday's lead story in *The Jerusalem Post* saying that Jordan has indeed launched a crackdown against cells of the Palestine Liberation Organization in its territory.

Cairo Radio said that the Jordanian action was coordinated with Syria following the raid by a PLO unit on the Semiramis Hotel in Damascus on Sunday. Three of the raiders, who were summarily hanged, had come of Syria from Iraq across Jordan, where the PLO appears to be reviving its presence.

The radio noted that the Jordanian manhunt against PLO cells "has been confirmed by *The Jerusalem Post*."

'5 boatmen had no evil intent'

The five Egyptians who arrived in their motor-boat in Tel Aviv on Saturday do not seem to have had evil intentions after all, according to sources familiar with the progress of their interrogation. The five, originally Palestinians, slipped through Israeli coastal patrol in their speedy little boat and surprised bathers by beaching it on the crowded Tel Aviv sea-front.

The suspicion was raised that the five had planned a Savoy-style terror attack, but for some reason dropped the idea at the last moment and threw their arms overboard.

Defence Minister Shimon Peres and Chief of Staff Mordechai Gur reported to the Cabinet yesterday on the incident and on a review of coastal defences that has now been undertaken.

Carter accuses Ford on funds

WASHINGTON. — The American presidential campaign yesterday appeared to be focusing on allegations that President Ford misused campaign funds when running for Congress, and that his Administration received money from lobbyists.

Democratic presidential candidate Jimmy Carter, in a speech in Portland, Oregon, on Monday, accused President Ford's government of accepting counsel and financial support from lobbyists and special interest groups.

Press reports said the Watergate special prosecutor, Charles Ruff, was investigating allegations that Mr. Ford illegally used funds from maritime unions when he was a Michigan congressman. Mr. Ruff has refused to comment.

Reporters Bob Woodward and Carl Bernstein, who broke the Watergate scandal which toppled President Nixon, wrote in the "Washington Post" on Monday that a government source had described the allegations against Mr. Ford as "serious and significant."

The White House maintains there has been no evidence of involvement by Mr. Ford in anything improper.

A Republican finance chairman in Ford's old congressional district in Michigan said the reports were designed to hurt the President's election prospects. (Reuter)

Kiryat Arba plan for release of Levinger

Jerusalem Post Staff

Kiryat Arba residents last night proposed that local leader, Rabbi Moshe Levinger, would turn himself in to the authorities providing he is released immediately. The Hebron Military Governorate however was reported to have rejected the proposal saying that Levinger should comply with an arrest order for denying restrictions barring him from entering Hebron. Rabbi Levinger has been resisting the arrest order for the last two days.

Soldiers continued to encamp outside the ground-floor flat of Rabbi Levinger in Kiryat Arba last night, while members of his family refused to state whether or not he was indeed inside.

Five soldiers stood at the entrance to the building, while four others

lay down on foam mattresses outside the door. A press photographer who asked to see Rabbi Levinger in the afternoon was threatened by a young man who claimed to be protecting the rabbi and said he would "break your head" if the photographer did not leave the premises. Benny Gal, a spokesman for Gush Emunim in Kiryat Arba, told *The Jerusalem Post* that the rabbi was giving Talmud lessons and studying in his home last night, but that on Monday he had left the flat "several times" despite the military guard on his doorstep. He did not explain how Rabbi Levinger managed to accomplish the feat.

The spokesman said Gush Emunim demands that the soldiers leave because "they are causing tension," and that the order for Levinger's arrest be revoked.

'Won't let Gush run wild'

By ASHER WALLFISH

Jerusalem Post Reporter

Defence Minister Shimon Peres told the Cabinet yesterday that he was determined not to let Gush Emunim "run wild" in Hebron.

Reporting on the attempt by Kiryat Arba residents to create a fait accompli in Hebron by taking over the old Hadassah synagogue in defiance of the Military Government and the IDF commander on the spot, Peres said: "There will be no acquiescence to violations of law and order. The offenders will have to face the full rigour of the law as applied by the Military Government."

Peres described the Gush Emunim bid to take over the synagogue as "pure provocation." He referred to the abuse by Kiryat Arba settlers in the town to keep order, saying that epithets like "scoundrels" and "scum of the earth" were all too common. Kiryat Arba settlers were bringing the IDF into contempt in the eyes of the local Arabs. They were damaging the principle of co-existence which the Government

had adhered to when it licensed Jewish settlement in Upper Hebron — later Kiryat Arba — instead of the old town.

Peres also reported that prayers at the Machpelah Cave during Rosh Hashana and the major Moslem feast of Id el-Fitr (which closes the Ramadan fast-month) had been orderly and without disturbances.

In response to a plea from Religious Affairs Minister Yitzhak Raphael to permit reconstruction of the old Avraham Avinu synagogue in the old town at Hebron, Peres promised he would order the Military Government to study the matter exhaustively. Raphael said the synagogue was on the edge of the old town and the presence of Jews praying there could not be described as provocative.

Raphael said the Jordanian authorities had not only destroyed the sacred building, but had turned it into a rubbish dump and built a public urinal next door. He said Religious Ministry workers had begun clearing the site, and had found one room so far which was usable for services.

Sterling decline continues

LONDON. — Sterling continued its plunge on foreign exchange markets yesterday, shedding two cents against the dollar. Dealers said the drop came in a very nervous market. No support from the Bank of England was evident.

The British currency touched 1.59 U.S. dollars in early deals before edging back to 1.663 from 1.68 overnight. (Reuter)

POST Correspondent Mark Segal reports:

The seriousness of the situation was highlighted by a sudden decision of Denis Healey, Chancellor of the Exchequer, not to attend a financial conference of Commonwealth ministers in Hongkong. Healey, in fact, was already at the airport when he made his about-face.

The Governor of the Bank of England, who was to emplane for Hongkong as well, also cancelled his flight. The stock market reacted with a panic mood and prices plunged for a market loss of £1,000m. (AP)

ALEXANDER'S
SHOES
AVAILABLE
ALL BETTER SHOPS



President Ford gets in step with supporters in Mississippi after a football game. (AP radiophoto)

Saudia expected to get Mavericks

WASHINGTON. — President Ford is considering establishing an inter-governmental agency to make a closer examination of future American arms sales to Saudi Arabia and other Persian Gulf states, Secretary of State Kissinger told a closed-door session of the Senate Foreign Relations Committee yesterday.

Kissinger met with the committee as congressional efforts to block the sale of 850 Maverick air-to-ground missiles to Saudi Arabia seemed virtually certain of failure because of strong White House opposition and the continued use of parliamentary delaying tactics by administration supporters on Capitol Hill. Although it now seems certain

that the missile deal to Saudi Arabia will go through the Congress, opponents of the transaction took some satisfaction by hearing Kissinger say yesterday that the Administration would seek to have closer consultations with the Congress regarding an arms sale to Saudi Arabia.

Kissinger, according to sources present during the session, agreed with Sen. Clifford Case (R-N.J.), the leading opponent of the missile deal, that it would be better in future to let foreign nations know in advance that there might be problems with Congress in approving massive arms transfers, rather than encouraging the foreign states into believing that everything was fine.

Following the closed-door hearing, Kissinger emerged to tell waiting reporters that a congressional decision that would have barred the sale would have severely hurt U.S. foreign policy interests in the Middle East. He said that the issue had been played up beyond all proportion to its military significance.

Kissinger denied that a congressional decision to block the missile deal would have resulted in a renewed Arab oil embargo against the U.S. During the closed-door hearing, Kissinger said that Saudi Arabia had not warned the U.S. of a renewed embargo, not in connection with the controversial missile deal. (Continued on Page 2, Col. 3)

Aid bill passed

WASHINGTON. — The U.S. Congress yesterday sent President Ford a \$5.1 billion foreign aid appropriation that is \$684 million below his request.

The Senate approved the bill, 56 to 24. The measure, which is for the 12 months beginning on October 1, was accepted by the House of Representatives by a 216-155 vote on Monday.

About \$2.6 billion goes to the Middle East; \$1.7 billion for Israel; \$700m. for Egypt; \$80m. for Syria; and \$70m. for Jordan. (AP)

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 IN ISRAEL

ALWAYS
 READY
 WHEN YOU NEED
 FIRST AID
 AMBULANCE
 SERVICE
 BLOOD AND
 EMERGENCY HELP

Tourist!
 Shalom Stores
 The Leading
 Department
 Store in Israel
15% DISCOUNT
 in the gift, fashion,
 jewellery, leather
 handbag
 departments
 for Tourists
 paying in
 Travellers' Cheques
 Shalom Stores
 and the
 Supermarket
 ARE OPEN TONIGHT AND
 EVERY WEDNESDAY
 TILL 9 p.m.:
 Shalom Mayer Tower,
 Tel Aviv, Tel. 52131

Fashionnews:
For him: The new and latest collection of Harris Tweed sport jackets, II.106. For her: Lush wool sweaters, turtle necks and cardigans from Ted Lapidus and Carol, from II.109.

allevé adam
Tel Aviv Atarim Square, Kfar Shamaryahu

THE WEATHER

Forecast: Upper trough from Turkey to East Mediterranean moving slowly eastward. Partly cloudy.

	Yesterday's	Today's	Max	Min
Jerusalem	27	15-25	27	15
Golan	27	15-25	27	15
Nabatieh	27	15-25	27	15
Safed	27	15-25	27	15
Haifa Port	27	15-25	27	15
Tiberias	27	15-25	27	15
Nazareth	27	15-25	27	15
Afula	27	15-25	27	15
Shimon	27	15-25	27	15
Tel Aviv	27	15-25	27	15
B-G Airport	27	15-25	27	15
Jericho	27	15-25	27	15
Gaza	27	15-25	27	15
Beersheba	27	15-25	27	15
Shat	27	15-25	27	15
Tiran Straits	27	15-25	27	15

Social and Personal

Prime Minister Yitzhak Rabin visited Yad Vashem yesterday and was taken on a tour of the institution by the chairman of the Yad Vashem Committee, Gideon Hausner, MK.

International chess master Moshe Czerniak was presented a state grant of IL5,000 in recognition of his services to chess in Israel over the last 40 years. The cheque was given to Czerniak at a reception at the President's residence by Education Minister Asher Yadin.

A collection of some 80 books on Asian subjects, a gift of the Australian Government, was presented to the Hebrew University's Truman Research Institute on Mount Scopus last week by the Australian Ambassador, Richard John Smith.

Dr. Elhanan Richter will speak on the subject of "Industrial Health in Israel" at the weekly meeting of the Jerusalem Rotary Club, 1 p.m. today at the YMCA.

The Rotary Club of Jerusalem West meets this evening in the King David Hotel at 8 p.m. for a Ladies Night to be addressed by the District Governor, Shlomo Gorenman, as part of his official visit to the club.

Israel David Amir will speak on "Impressions from South Korea," at the Haifa Rotary Club, Nov Hotel, 1 p.m. today.

The Jerusalem Journalists Association will hold a general meeting on Friday, October 1, at Beit Agnon at 9.30 a.m.

IN MEMORIAM

A memorial service for 15 men who fell in the Yom Kippur War was held yesterday at the military section of the Safed cemetery. Mayor Aharon Nahmias, Yad LeCholim chairman Mordechai Zeig and an army chaplain took part.

ARRIVALS

Brian Matthews, president of the Chamber of Commerce in Port Elizabeth, South Africa, at the head of a seven-member industrialist delegation, for talks with Commerce Ministry officials and private businessmen.

World War president Raya Jaglom, from a meeting of WINGO (Women's International Non-Governmental Organizations) in Geneva (by Tel Aviv).

DEPARTURES

Nitzav Eli Dekel, deputy inspector-general of police, for Accra, Ghana, to attend an Interpol convention.

Envoy meets Greek Archbishop Seraphim

Jerusalem Post Diplomatic Correspondent
Israel's Diplomatic Representative in Greece, Ambassador Nissim Yaish, held a cordial meeting yesterday with the Archbishop of Athens and All Greece, Seraphim. Yaish reported to Jerusalem that the conversation went well and the prelate wished him success in his post. Also present was Archimandrite Palladius of the Greek Orthodox Patriarchate of Jerusalem.

ALFRED A. STRELSIN

The American Friends of Avichail Cultural Centre regret the loss of their past president — Alfred A. Strelsin. All the friends and patrons of the organization will miss his wonderful advice, his generosity and his love for his fellow men — most of all the Veterans of the Jewish Legion for whom he did so much. He helped to create a memorial building for them in Avichail, Israel. Our great sympathy is extended to his sister, Selma Fromkin, and the rest of the family.

- | | |
|------------------------|----------------------------------|
| FRED MALLEY | National Chairman, New York |
| HERMAN LEHMAN | National Vice-Chairman, New York |
| JACK GOODMAN | Past National Commander |
| BILL BRATTERMAN | Member of, Presidium, Baltimore |
| LEON ORLIFETZ | Secretary, Israel |

ZVI VARDI

(Barrister-at-law)

The funeral will take place on Wednesday, September 29, 1976, at 3.30 p.m., in Savoyon Cemetery.

Wife, Gita
Daughter, Denorah and Yeroham Cohen
Grandchildren
Sisters, Manya and Dorcha

HELENE TENENBAUM

(formerly of Leipzig)

has passed away.

The funeral will leave from Sanhedria, Jerusalem, at 2 p.m. today.

In sorrow
Irene and Jehoshua Hundert
David and Pinna Hundert and children

'Deplorable' leak on Suez affair contains nothing new — Rabin

Jerusalem Post Staff
The leak in "Ha'aretz" yesterday of a document drafted by the Foreign Ministry's legal adviser, on the Gulf of Suez oil-drilling affair, sent a brief flutter of excitement through Jerusalem yesterday. But Premier Rabin moved quickly to allay concern, telling the Cabinet that while the leak was deplorable, the document itself contained nothing new.

The Cabinet held its weekly meeting yesterday instead of Sunday, which was Rosh Hashana.

The document was a preliminary legal opinion by the adviser, Dr. Meir Rosenne, sent in a "top secret" cable from Rosenne in Jerusalem to Minister Yigal Alon, currently in New York. Rosenne had studied the contract between the Egyptian Government and Amoco, the American oil-drilling firm, pertaining to the disputed area in the Gulf of Suez. (All such contracts are officially published by the Egyptian Government.)

The legal adviser pointed out that Amoco itself was not formally involved in the venture: it had set up, jointly with the Egyptian Government, a special company to carry out the drillings. This company, registered in Cairo, has the status of an Egyptian state-owned corporation.

That company, moreover, had undertaken in its contract with Cairo to abide by the rules of the Arab boycott of Israel.

Some observers here immediately surmised that the document had been leaked in order to strengthen Defence Minister Shimon Peres' hand in his ongoing dispute with Premier Rabin over Israel's handling of the oil-drilling affair. Peres maintains that Israel should not be negotiating with the American Government — as it has been for some time now — but instead with the Egyptians, who are the primary interested party.

Rosenne's findings show that the U.S. Government in fact has no legal standing, since the company actually involved in the drilling is a Cairo-registered concern.

But sources close to Peres flatly denied any knowledge of the Rosenne document and rejected any intimation that they had leaked it. They said that Peres' position was based on political realism, and did not need the bolstering of legalistic arguments. The Defence Minister believes that since Israel

and Egypt are the two parties most directly involved in the affair, they should sort it out between them in a give-and-take bargaining process from which both could benefit. Israel should not be boxed into a position of having to face State Department officials who are in effect representing the Egyptian interest.

Other sources in Jerusalem, who supported the Rabin-Alon position favouring negotiations with Washington, also stressed that political considerations, not legalistic interpretation, were the basis of Israel's case. The Government seeks to maintain its control of the eastern half of the Gulf while all the same time avoiding, if at all possible, any unpleasantness with Washington.

(The affair erupted earlier this month when an Israeli Navy boat fired on an American oil-drilling vessel. Subsequent negotiations with Washington have failed as yet to find a solution. Alon is likely to discuss the matter with Secretary Kissinger next week.)

The issue was raised in the Cabinet yesterday by ILP minister Moshe Kol, who wanted to know how the document had been leaked.

But the hospitals' general and administrative workers committees met yesterday and decided to demand a pay raise equivalent to the raise the nurses won last week. They have not, as yet, decided what steps to take to press their demands.

Meanwhile, the Civil Servants union yesterday called upon members to cancel job actions scheduled to start October 1. It warned them they will not enjoy Histadrut protection unless they abide by its decisions.

Last week leaders of some 40,000 civil servants who had not enjoyed "specific allowances" before the strike were abolished threatened sanctions over higher grades and pay. But the union's unauthorized action would "harm the workers' interest and provide no solutions."

Earlier, Health Minister Victor Shmoylov reported on the course of last week's strike and the wage agreement which brought the strike to an end.

Baruch Yermans, the Treasury official in charge of wages, also

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Signals failure of 'package deal' 12.2% C-o-L bonus from Oct. 1

Jerusalem Post Staff
TEL AVIV. — Payment of a 12.2 per cent cost-of-living increment was agreed on formally yesterday by representatives of the Histadrut and the Coordinating Committee of Economic Organizations.

The increment will be paid on a ceiling of IL5,000 monthly income, beginning October 1. It represents 70 per cent of the rise in the consumer index over the last six months.

Under current laws, the C-o-L payment is subject to income tax. The agreement signals the failure of a "package deal" offered by Finance Minister Yehoshua Rabinowitz two weeks ago. According to the deal, if the unions relinquished their claim to part of the C-o-L payment, the Government would drop its plans to curtail the subsidies on basic commodities, and

manufacturers would undertake not to raise prices.

On the issue of higher wages, Finance Minister Yehoshua Rabinowitz told the Cabinet yesterday that the new wage agreement with the nurses would enable the Government to stand firm against various civil servants' wage demands, now pending, because the nurses had been granted "limited and selective benefits only, which do not go beyond the general wage policy."

Rabinowitz said the pact with the nurses also "provides an answer to the immediate need to improve hospital working conditions for nurses."

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Ford met with Arabs on anti-boycott bills' ADL sees bid to defeat laws

Jerusalem Post Correspondent
NEW YORK. — The Anti-Defamation League of B'nai B'rith charged yesterday that President Gerald Ford and top administration officials had met recently with Arab emissaries "to discuss strategies to defeat anti-boycott legislation."

The charge was made at a press conference here by Arnold Forster, general counsel for the ADL, as a House-Senate conference prepared to meet in Washington to discuss a compromise bill outlawing the Arab boycott.

Forster said that Ford had taken part in "confidential and private" meetings with representatives of Saudi Arabia and other Arab oil-producing nations "where the problem of anti-boycott legislation was discussed."

Forster named other administration officials involved in these meetings. They included, he said, Defence Secretary Donald Rumsfeld, Treasury Secretary William Simon, and Assistant Treasury Secretary Gerald Parsky.

Meanwhile, in California, Governor Brown Jr. signed legislation on Monday that gives the State authority to prosecute California corporations that cooperate with the Arab boycott against Israel.

Brown's action followed a report that Saudi Arabia might rescind the oil embargo against the U.S. if Congress approved federal legislation similar to the California law.

The law, which takes effect January 1, will make it illegal to sign contracts which discriminate on the basis of business associations. Such a violation will be punishable by a fine of up to \$1m. and imprisonment of up to three years.

The new law is aimed at companies that have complied with the Arab League's boycott rules against firms that do business with Israel.

"It is simply not acceptable for American businessmen to be penalized for doing business with an ally and for the State of California to sanction such a practice," the Democratic Governor said. The bill was introduced at the request of the Anti-Defamation League.

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El Al may get more landings in Canada

Jerusalem Post Correspondent
NEW YORK. — Canada will consider granting additional landing rights to El Al, which now can land only in Montreal.

This emerged from talks held in Ottawa on Monday night between Foreign Minister Yigal Alon and his Canadian counterpart, Donald Jamieson.

Their meeting followed a three-way talk with Prime Minister Pierre Trudeau that lasted about an hour and touched mainly on the Middle East.

With Canada due to take up a seat in the Security Council in January, Israel is particularly interested in Ottawa's stand on Middle East problems.

Jamieson said: "I will be speaking at the General Assembly of the United Nations on Wednesday... and I intend to take the opportunity to reaffirm Canada's commitments to the continuous existence of Israel behind secure and recognized borders."

Another issue touched upon at the meetings was the Arab boycott. Jamieson and Alon stated their unequivocal opposition to all economic boycotts and discrimination.

Maritime court rejects suit for damages
Jerusalem Post Reporter
HAIFA. — The Maritime Court last week dismissed a IL421,000 claim of damages filed by Shimon (Maimon) Levy, an executive of Jerusalem's Shalom Hotel, against a Greek shipowner. The court also ordered Levy to pay the respondent IL15,000 costs.

Levy claimed that the shipowner had delayed delivery of a consignment of cement which Levy had purchased in Europe for use in Israel in 1973. The shipowner countered that the delay had resulted from Levy's failure to pay his charter fees on time, and added that Levy later had the ship held up in Ashdod Port, despite a promise not to do so.

Kupat Holim workers give IL2m. to defence
TEL AVIV. — A IL2m. contribution to the Voluntary Defence Fund is being made by Kupat Holim employees and pensioners, who have decided to forgo the usual holiday gifts distributed by the sick fund.

Another large addition to the fund is the IL150,000 voluntary offering by the staff of the WIZO Women's organization.

Other contributions, meanwhile, continue to pour in. All wishing to donate are reminded to send their contributions to: Voluntary Defence Fund, Defence Ministry, Hakdura, Tel Aviv.

TODAY'S POSTBAG
THE NUMBER of adults registering for jobs at Labour Exchanges last month totalled 21,894, the Employment Service announced yesterday. This compared with 21,551 in July.

51 NURSES, among them one male nurse, received their diplomas yesterday in the 60th graduation ceremony of Hadassah's Henrietta Szold Nursing School. Seven new immigrants were among the graduates.

A FILED EXTERMINATION campaign to start at Ben-Gurion Airport in addition to the mosquito cleanup begun there recently. Airport personnel were found suffering from flea-bites. Several animal carcasses had brought about the insect concentration in the area.



Daniel Angel, president of the Variety Club of Israel, presents a cheque to Chisel Nurse Selma of Shasare Zedek Hospital for IL50,000. The award was given for her life-long dedication and service to the sick. Schwester Selma, 92, donated the money to the hospital. Looking on is the director of Shasare Zedek Hospital, Prof. David Maier.

Brawl disrupts NRP ballot on elections

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — A secret ballot in the NRP's Central Committee was broken up yesterday by a brawl between delegates. No one was hurt, but the ballot box was broken open and its contents scattered into the hall at Beit Harofeh here.

The vote was to decide whether the Central Committee should set a date now for internal elections or whether the decision should be taken in a month's time.

The factions which advocated postponement wanted to utilize the time to enlarge the party's ranks and possibly work out a deal cancelling party elections altogether. Yitzhak Rabin's faction wanted the election date to be set immediately. Since this faction was in a minority, it demanded a secret ballot.

This reporter saw dozens of voters crowding round and leaning over members of the voting committee. A reliable eye witness who does not belong to any of the three big factions said he saw voters stuffing a committee member's pocket with votes, and the member then stuffed these votes into the ballot box.

It was not clear how the brawl began. Meir Hatzit, one of the delegates, told this reporter, "Some members voted twice" so he opened the box and threw the envelopes away. But Shalom Malka, a party official, thought Hatzit had hit him with the box. Apparently Malka had been hit by someone else, but he attacked Hatzit. In the course of the brawl other delegates got hold of the rest of the envelopes and the voters' list and tossed them into the hall.

Delegates quickly separated Hatzit and Malka, pulling them off the ground and pulling the other away. The two were later forced to kiss and make up.

Spokesmen for Rabin's faction said they will appeal today to the party's supreme court to set an election date. A senior party official said the committee's presidium will now have to decide what to do.

The Lamifra faction (headed by Minister Yosef Burg), the youth group (of Minister Ze'evulun Hammer and ME Yehuda Ben-Meir) and representatives of the party's moshavim and kibbutzim advocated setting the election date next month.

The youth group wanted to use the time to pressure the party to open its ranks to new members. Hammer and Ben-Meir have claimed thousands of voters are barred from the party because they don't want to join its trade union, Hapoel Hamizrachi.

Haim Basook of Rabin's faction opposed opening the ranks. He told the youth group they want to bring outsiders to further their ends only. Minister Burg wanted to use the coming month to "make arrangements" with other factions.

'Mapam faces dilemma over staying in the coalition'
By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — Mapam MK Dov Zakai says that his party currently faces a "dilemma" over whether or not it should remain in the ruling Labour coalition government.

Addressing American Jewish supporters of Mapam (Americans for a Progressive Israel), Zakai explained that Mapam does not want to strengthen "right-wing" forces in Israel by leaving the Government; but on the other hand, it would be "obliged, however reluctantly," to take an independent course if the Labour Party platform next year did not call for territorial concessions leading towards a peace settlement.

Druse village opens first Zionist club
Jerusalem Post Reporter

DALIA AL-CARAMEL. — A Zionist club was opened yesterday in this Druse village on Mt. Carmel, the first in a non-Jewish community.

Young people from the village asked the Zionist Council in Haifa to sponsor the club, and the council granted it a budget of IL50,000. The club's chairman, Yehuda Azrieli, explained that part of the club would be a library of books on Zionism and on the minorities. Some books relating to Jewish-Druse relations will be translated into Arabic.

The chairman of the Druse group on Zionism, Yusef Nasser e-Din, said the group's members would deal with three subjects: the attitude of the Druse towards the state, the leftist trend among Druse youth, and equal rights for all Druse in Israel.

Grenade explodes
HAIFA. — A handgrenade exploded in the centre of Kiryat Atz near here about 1 a.m. yesterday. No casualties were reported.

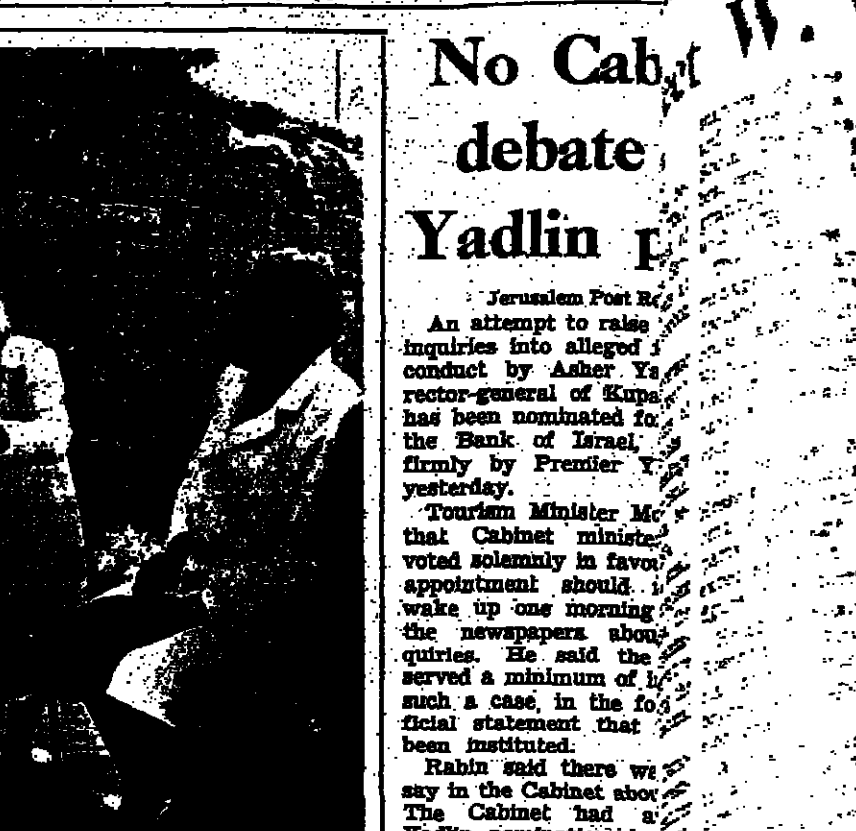
Police are investigating the incident to determine whether it was an act of isolated hooliganism or an attempt to settle underworld accounts.

LOTO. — In the draw (see 39/76) which took place on Sept. 28, the following were the numbers: 02, 05, 06, 08, 09. The additional number was 14.

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No Cabinet debate Yadin

Jerusalem Post Staff
An attempt to raise inquiries into alleged conduct by Asher Y. rector-general of Kupa has been nominated to the Bank of Israel, firmly by Premier yesterday.

Tourism Minister Meir Yitzhak Rabin voted solemnly in favor of the nomination. He said that the nomination should be a minimum of a month's case, in the official statement that been instituted.

Rabin said there was no debate in the Cabinet about the nomination. He said that the nomination was submitted to the formal approval of the rules, ministers may raise on topics other affairs and defence.

According to a source, the major part being conducted by the instructions of the al, is still ahead and over into next week.

Lebanese to do more research
MEITULLA. — A summer research project is being conducted by a team of Lebanese and Israeli researchers to study the trade relations between Lebanon and Israel. The team is led by Dr. Yehuda Ben-Meir, Minister of Commerce, and Dr. Ze'evulun Hammer, Minister of Industry.

The team is currently in Lebanon, where they are conducting interviews with local officials and businessmen. They are also studying the trade patterns between the two countries.

The project is part of a larger effort to improve trade relations between Israel and its neighbors. It is hoped that the research will lead to the development of new trade agreements.

Philharmonic hailed in Washington
Jerusalem Post Correspondent
WASHINGTON. — The Israel Philharmonic Orchestra, under the direction of Zubin Mehta, was hailed for its performance at the Kennedy Center for the Performing Arts on Monday evening.

The orchestra's performance was praised for its technical excellence and its emotional depth. Mehta's leadership was also highly commended.

The Israel Philharmonic is one of the leading orchestras in the world. It has performed in many of the most prestigious concert halls in the world.

The orchestra's tour of the United States is part of a larger effort to promote Israeli culture and music. It is hoped that the tour will lead to increased cultural exchange between Israel and the United States.

Israel's Ambassador in Washington
Jerusalem Post Correspondent
WASHINGTON. — Israel's Ambassador to the United States, Haim Hanin, was received by President Jimmy Carter on Monday morning.

The President expressed his appreciation for Hanin's work as Ambassador and wished him success in his new post. Hanin thanked the President for his warm welcome.

Hanin is a well-known figure in Israeli politics. He has served in various government positions and is a member of the Knesset.

San Francisco, Los Angeles, Montreal, Toronto, and other cities on behalf of the Americans for a Progressive Israel.

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The Famous Dutch Pipe Tobacco

Youth killed as riots spread through Spain

MADRID. — A youth who was shot in the stomach on Monday night during clashes between demonstrators and riot police in central Madrid died yesterday morning, hospital sources said.

Police denied they had used firearms during the clashes and the incident was unofficially blamed on extreme right-wingers.

Police also fought demonstrators in the Basque region and the Canary Islands on Monday as a one-day general strike to back demands for a full political amnesty paralysed most of the Basque country.

Riot police baton-charged, fired rubber bullets, tear gas and smoke bombs as they clashed with demonstrators in the streets of Bilbao and San Sebastian.

In Madrid police clubbed everyone in sight during demonstrations in a central square held in pouring rain and then chased the fleeing crowd down the subway.

The police, some in plainclothes, beat and kicked demonstrators and bystanders as they crowded into a train and then hammered a tattoo with their sticks on the carriage as it pulled out of the station.

The Madrid demonstration was called to mark the first anniversary of the executions of five urban guerrillas, shot on the orders of the late General Franco after they were found guilty of killing policemen.

In Santa Cruz, capital of Tenerife in the Canary Islands, labour sources said a general strike called to protest the killing of a local youth by police was a success.

The youth died on Friday after he was machine-gunned by a paramilitary civil guard who had mistaken him for a suspect wanted in connection with the kidnapping of a local industrialist.

Tourists were warned to keep off the streets as young demonstrators clashed with police and damaged several parked cars. (Reuters)



DEFECTOR'S WIFE—Lyudmila Petrovna Belenko, left, reads a prepared statement at a Moscow news conference yesterday asserting that her husband, Viktor, could not have wilfully defected in his Mig-25 jet to Japan earlier this month. Belenko's mother is at right. (AP radiophoto)

Columnist sues Nixon for \$22m.

WASHINGTON. — Newspaper columnist Jack Anderson, claiming he once was almost the target of a Watergate murder plot, is seeking \$22m. in damages from former President Richard Nixon and 19 subordinates.

Anderson filed suit on Monday accusing Nixon and his aides of conducting a five-year campaign to destroy Anderson's credibility and take away his First Amendment rights as a newsmen. The First Amendment to the U.S. Constitution provides freedom of speech, press, and assembly.

The civil damage suit, filed in U.S. District Court, cites 17 separate allegations of harassment.

Investigation, surveillance and wiretapping by the Central Intelligence Agency or the White House investigative unit known as "The Plumbers."

The suit said the campaign included a tentative plan by Watergate figures G. Gordon Liddy and E. Howard Hunt to murder Anderson with an exotic poison. It also alleged that CIA agents followed the columnist, his wife and children seven days a week for several months in 1972.

At a news conference, Anderson said any proceeds from the suit would go for the benefit of other reporters' First Amendment rights. (AP)

Opening up the diplomatic pouches

ADDIS ABABA. — The Ethiopian authorities are insisting on a search of all diplomats entering the country, including ambassadors and members of international agencies, as part of new currency measures, according to informed sources here.

The government has also asked foreign missions to open diplomatic pouches for inspection, but the sources said none was understood to have complied so far. The result has been a halt in normal communications between many embassies and their respective foreign ministries as unopened diplomatic bags are not being allowed into or out of the country. (Reuters)

Pilot come home — all is forgiven

MOSCOW. — The Soviet Union yesterday publicly promised the Soviet pilot who landed a top-secret Mig-25 jet in Japan that he would not be punished if he chose to return home.

The pledge was made during a Moscow press conference at which the wife and mother of the pilot, First Lieutenant Viktor Belenko, were presented to the foreign press.

Lyudmila Belenko, 25, the pilot's wife, said she had been given an official assurance that he would face absolutely no punishment "even if he made a mistake." (Reuters)

The wife and mother of the pilot, First Lieutenant Viktor Belenko, were presented to the foreign press. Lyudmila Belenko, 25, the pilot's wife, said she had been given an official assurance that he would face absolutely no punishment "even if he made a mistake." (Reuters)

Charged for shooting at rapist

CHICAGO. — A 23-year-old woman was arrested after she fired a gun at a man who beat and raped her girl-friend. She was released on a \$100 bond, after being charged on Sunday with unlawful use of a weapon.

Police said Angela Winslow, 23, fired a gun at the man who raped and beat up her friend Denise Doster, 22. The rapist pushed his victim out of the window on the 15th floor. Doster's life was saved when a canopy located over the first floor broke her fall.

Winslow came home a few minutes later and found signs that a stranger was in the apartment. The man came running out of the flat and she fired a shot from a 22 calibre pistol that was in her possession. The rapist was apparently not hit by the bullet because police found no signs of blood. (AP)

France delaying adoption of anti-terror agreement

By ROBERT TAYLOR

BRUSSELS. — France is delaying adoption by 19 West European nations of a landmark agreement for bringing international terrorists to justice, diplomatic sources said here yesterday.

France wants to enlarge the scope of a let-out clause in the convention, which is based on the "extradite or prosecute" principle. The clause would allow exceptions to be made in certain cases.

The convention, negotiated by Council of Europe justice ministers earlier this year, requires signatories to extradite terrorists arrested on their territory or to prosecute them locally.

It states that crimes involving kidnappings, kidnappings, hostages or the use of bombs and firearms should not be considered political offences eligible for political asylum.

The text of the draft convention, which is still confidential, says signatories can request extradition of wanted terrorist suspects. If a state refuses extradition, it must take criminal proceedings against the suspect itself.

The text, made available to Reuters, allows a signatory to refuse extradition if it has grounds for believing the request has been made "for the purpose of prosecuting or punishing a person on account of his race, religion, nationality or political opinion."

The EEC nine were still keen to use the Council of Europe document as a model for a possible world convention on hijacking and hostage-taking being proposed to the UN General Assembly by West German Foreign Minister Hans-Dietrich Genscher.

The sources said the European community wanted to limit an international convention to hijacking and hostage-taking because of possible third world objections if it were to apply to terrorism in general.

Recent tough action by authorities in Pakistan and Egypt against hijackers and this week's battle between the Syrian army and gunmen in a Damascus hotel have strengthened the feeling here that the international climate was becoming more favourable to the adoption of at least a limited convention. (Reuters)

Deserter admits to Corsica murders

BASTIA, CORSICA. — A French Foreign Legion deserter has confessed to the murder of two shepherd brothers, official sources said yesterday. The murder has inflamed islanders against the 3,000 Legionnaires based here.

The deserter was identified as Ludwig Werner, 19, of German origin. Officials said he told police the two shepherds surprised him taking refuge in the shack. He shot them in a fight that followed and then killed them with his bayonet, the sources said. He broke

down when a watch belonging to one of the men was found in his possession, the same sources added.

Tension was running high on the island before yesterday's funeral of 58-year-old Xavier and 60-year-old Pasquale Ruggiere, found dead Sunday in their isolated pasture shack.

Shots were fired in the town of Corte on Monday night at the legion commander's home, damaged by a bomb blast the previous night. There were no injuries in either incident. (AP)

Patty Hearst's new 'campus' has private rooms, no bars

PLEASANTON, California. — At first glance, Patricia Hearst's new home seems to be a modern college campus, with casually dressed young men and women lounging on patios, sunbathing on lawns or reading on dormitory steps.

But surrounding it is a tall wire mesh fence, designed to make sure that the forgers, air pirates, drug smugglers and bank robbers don't leave the relaxed surroundings before their graduation date.

The U.S. Bureau of Prisons on Monday assigned the newspaper heiress to the two-year-old Federal Youth Correction Centre at Pleasanton to serve her seven-year bank robbery sentence. She becomes eligible for parole in 16 months.

Prison spokesman Bill Meko says that after a sort of freshman orientation, Miss Hearst will be given a private, air conditioned room in one of the four dormitories. Each room is equipped with a bed, desk, dresser and toilet. She can decorate as she wishes and is responsible for keeping it clean. The room has a window without bars.

Miss Hearst has been in a hospital room here since her sentencing last Friday.

She was taken on Monday to the Alameda County courthouse for secret testimony before a grand jury investigating her February 4, 1974, kidnapping. She was expected to identify Symbionese Liberation Army members William and Emily Harris as two of her abductors, as she did during her bank robbery trial. Another witness was Miss Hearst's former fiancé, Steven Weed, who was with her at the time of the kidnapping.

Prison officials here say Miss Hearst will be treated just like the other residents of the 10-acre "campus," as the staff calls the prison.

The progressive facility is designed to be as close to the outside world as possible, mainly so prisoners can readjust smoothly to society when released.

The former University of California coed can wear street clothes. In her spare time, she will have access to the dorm "recreational facilities" — television, shuffleboard and billiards.

"She will get a job assignment," Meko says. "It might be, for example, in the kitchen, as a clerk in the business office, in the mechanical services as a plumber or electrician, depending on her interests and our needs."

"If she wanted, she could take college courses here to continue her education or correspondence courses."

And she will be free to socialize with 100 men and 135 women residents between the ages of 15 and 28, listening to the juke box in the recreation centre, playing tennis on covered outdoor courts, attending weekend dances and picnics.

She can do almost anything she wishes as long as she doesn't break the three cardinal prison rules: no drugs, no sex and no escape. (AP)

IN BRIEF

Soviet pact at

UNITED NATIONS. — Union yesterday proposed conclusion of a world treaty on the use of force in international relations.

Soviet Foreign Minister Gromyko made the proposal at the UN General Assembly, which was addressing on the 31st anniversary of the UN Charter.

He also submitted a resolution on disarmament, proposals for nuclear disarmament to all countries, an end to all nuclear tests, anti-military safeguards, ports of nuclear weapons, a ban on weapons; withdrawal of nuclear weapons from all military and a world disarmament conference preceded by an armament session of the UN.

Communists slain

ROME. — Italian Communist leader Palmiro Togliatti, who survived the Soviet military intervention that crushed the uprising in 1956 as "traitor," the Italian communists upheld the Soviet line. The apparent revision party's attitude towards intervention came at a time when Italian communists are softening opposition to Western alliance parties since communist participation in the Italian government.

Japanese boat

TOKYO. — The Soviet Union seized a Japanese fishing vessel mistaking it for the N. Korean ship, Japan's Kyodo news service reported yesterday.

The boat and its crew were first reported seen on a ship of unknown nationality Saturday.

France delays Fiji

BRUSSELS. — France up approval of an ambassador to the European Market, and officials accuse he criticized French tests in the Pacific. A spokesman for mission to the Common the matter has been in Paris since February.

Hague accepts

THE HAGUE. — Soviet master Viktor Korzhnev granted a residence allows him to settle in the Netherlands, a Dutch Ministry spokesman said. Korzhnev, rated the best chess player, defected West two months ago. Dutch authorities to asylum.

Anti-apartheid

EDMONTON, CANADA. — Testers against South Africa held police who disrupted match more than a week to stand trial in Provincial court. Sixty-one members of the South Africa Committee charged of assault by obstructing a police protest were arrested, tried to stop a cricket between an Edmonton English team financed by Robbins, a wealthy sportsman.

Prisoners on the

WESTMINSTER, Canada. — Prisoners at a British Columbia seized two hostages and were demanding a \$100,000 ransom. The head of Canada's penitentiary official day.

Ten prisoners seized as some 200 other inmates a rampage in another maximum-security prison has said, Canadian troops and labour unions are helping strengthen security prison, which houses prisoners.

Tunisian FM

NEW YORK. — The foreign minister of Tunisia lost more than \$100,000 in jewels and cash to thieves in the night, police yesterday. Police said the thieves used the door to enter the Tunisian Embassy and occupied by the foreign minister. The signs of forced entry.

The bicycle

LOS ANGELES. — Dier was caught with his bicycle, police said. Two FBI agents were the scene of a reported burglary on Monday morning they saw Bailey's bike in the back end of a taxi. At the bank had reported masked bandit escaped with a bike and carrying \$4,000 in money. Bailey had hailed a taxi from the bank and the bike in the trunk.

Joint in the

TALLAHASSEE, Florida. — Officials say a shopper frozen chicken at a supermarket last week — the butt of a marijuana packed with the giblets. Jane Robinson, director of state's Consumer Services said on Monday that county deputies confirmed that the part of a contraband cigarette turned the evidence over to Drug Administration.

TORTURE PROBE

Lipine Government has ordered "no holds barred" military to probe torture against members of the Armed Forces Secretary Carmelo said yesterday. Bar closed the existence of the case after a Roman Catholic priest 22 persons it claimed appeared since June last year being detained.

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A Happy New Year

CAR OWNER

The Israeli insurance companies responded to the request of the Knesset Finance Committee, the Minister of Finance and the Minister of Justice to implement the Road Victim Compensation Law and to collect the insurance premiums.

After discussion between government representatives and the insurance companies, the following arrangement was decided upon:

- 1) Premium payments for compulsory insurance certificates marked September 25, 1976 may be deferred until November 24, 1976, on condition that the insurance policy expires after November 24, 1976. Holders of such certificates will be insured until November 24, 1976 even if the certificates have not been stamped by the bank.
- 2) Nevertheless, insurance companies may collect payment of 30% of the premium marked on the above certificate. Those who are asked by their insurance company to pay this sum must do so in accordance with the company's directives. If they do not pay as required, their insurance will not be considered valid.
- 3) The above arrangement will not be effective in the following cases, in which event, the certificate holders must pay the premium before the new law begins:
 - a) CERTIFICATES EXPIRING BEFORE NOVEMBER 25, 1976.
 - b) CERTIFICATES FOR NEW POLICIES OR POLICIES RENEWED FROM SEPTEMBER 26, 1976 AND AFTER.

The above certificates will be valid from the date on which they are stamped by the bank.

The insurance companies have done all in their power to assist the implementation of the Road Victim Compensation Law and have cooperated with the government authorities. The car-owning public is therefore asked to do its utmost in carrying out the instructions as stated above.

Israel Insurance Association

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No break in Ashdod container terminal dispute

YITZHAK OKED
Jerusalem Post Reporter

The container terminal here, the most modern of its kind in the Mediterranean area, which has been idle since the outbreak of a labour dispute, is not expected to resume work in the near future.

The dispute, which has been going on since the summer, is over the terminal's operation. The workers want the terminal to function according to the set-up in the port. However, the management, which is a subsidiary of the port authority, demands that the terminal be operated by a separate company, with its own management and staff.

The workers' union, which is a branch of the Histadrut, has refused to accept the management's demands. It says that the management is trying to circumvent the Histadrut's control over the port's operations.

The management, on the other hand, says that the terminal is a separate entity and should be run independently. It claims that the workers' union is trying to interfere with its operations.

The dispute has caused a significant loss of business for the port. Many ships have been delayed, and cargo has been held up. The management has tried to hire replacement workers, but the union has refused to allow this.

The port authority has tried to mediate between the two sides, but no agreement has been reached. The dispute is expected to continue for some time.

Share trend interrupted

Jerusalem Post Reporter

The recent strong upward trend in the share market was interrupted yesterday as prices declined on heavy trading.

The Tel Aviv Stock Exchange index closed at 1,125.75, down from 1,135.75 the previous day. The decline was led by a drop in the prices of many of the large blue-chip stocks.

Among the losers were the Israel Discount Bank, which fell 1.50 to 118.50, and the Bank of Israel, which dropped 0.50 to 100.50. The Israel Electric Corporation also fell 0.50 to 125.50.

On the other hand, the prices of many of the smaller, speculative stocks rose. The Israel Chemicals stock, for example, rose 1.00 to 15.00, and the Israel Cement Company rose 0.50 to 12.00.

Analysts say that the market is still in a volatile state, and that the recent decline may be only a temporary interruption of the upward trend.

Company	Price	Change
Bank of Israel	100.50	-0.50
Israel Discount Bank	118.50	-1.50
Israel Electric Corp.	125.50	-0.50
Israel Chemicals	15.00	+1.00
Israel Cement Co.	12.00	+0.50
Israel Petroleum	18.00	+0.50
Israel Steel	22.00	+0.50
Israel Textiles	10.00	+0.50
Israel Glass	8.00	+0.50
Israel Paper	6.00	+0.50
Israel Rubber	4.00	+0.50
Israel Leather	3.00	+0.50
Israel Food	2.00	+0.50
Israel Beer	1.00	+0.50
Israel Tobacco	0.50	+0.50
Israel Perfume	0.25	+0.50
Israel Jewelry	0.10	+0.50
Israel Fashion	0.05	+0.50
Israel Entertainment	0.02	+0.50
Israel Real Estate	0.01	+0.50

Stock prices tumble sharply

The decline in the index of leading stocks on the news of a government's economic plan, the first in 18 months, amounted to 1.5 per cent in August, the Commerce Department said as the session opened.

The Commerce Department said that the market was "unquestionably" disappointed by the news that the government was planning to introduce a new economic policy.

The plan, which was announced yesterday, called for a 10 per cent increase in the minimum wage, a 5 per cent increase in the maximum wage, and a 2 per cent increase in the minimum pension.

The plan also called for a 10 per cent increase in the maximum pension, a 5 per cent increase in the minimum unemployment benefit, and a 2 per cent increase in the maximum unemployment benefit.

The plan was widely expected, but the market reacted negatively to the news. Many investors were concerned that the plan would lead to inflation, and that the government was trying to control the economy by force.

The Commerce Department, however, says that the plan is a necessary step to stimulate the economy and to create jobs. It says that the plan will lead to a 2 per cent increase in the minimum wage, a 5 per cent increase in the maximum wage, and a 2 per cent increase in the minimum pension.

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Defensive-looking roadside fruit vendor watches as income tax inspectors check his sales. (Uzi Keren)

Fined for not keeping books

HAIFA.—Fines ranging from IL6,000 to IL10,000 were levied by the Magistrate's Court here yesterday against six merchants convicted of not keeping records of their business transactions.

The cases had come to light as a result of the checks instituted by the tax authorities. A grocer received the highest fine with the alternative of a three-month prison sentence and an additional three-month suspended sentence. Among others receiving fines were the owner of a beauty salon, a grocer and two partners in a laundry.

The general secretary of the local Merchants Association, Ze'ev Katz (who is also a Likud member of the municipal council), stated that his organization was astonished at the heavy fines meted out for this charge. He pointed out, for example, that it was unfeasible to keep books at a vegetable stand.

Record tonnage of ships scrapped

LONDON.—A record tonnage of merchant shipping was scrapped last year because of the world recession and to make way for the large number of new vessels coming from shipyards, Lloyd's Register of Shipping reported yesterday.

The total of 5.1m. gross tons scrapped was 2.1m. tons more than in 1974. Oil tankers accounted for 3.9m. tons, 76 per cent of the total.

Liberia sent the biggest tonnage to scrap yards, disposing of 1.6m. tons, followed by Panama, Greece and the U.S.

Lloyd's Register also said that the total tonnage lost through casualties last year was 995,261 gross tons — the second highest figure ever recorded. There were 336 ships lost last year, 25 more than in 1974.

12% of U.S. families live below poverty line

WASHINGTON.—More American families slid into poverty last year than at any time in the 17 years the government has been keeping track, the U.S. Census Bureau said Saturday.

The Bureau blamed the 2.5m. increase in poverty-stricken families on the widespread effect of high inflation in the midst of recession, together with widespread exhaustion of unemployment benefits last year.

Despite a six per cent increase in median family income, to \$13,730 a year, since per cent inflation dragged the buying power of that income down to the lowest level in five years, the Census Bureau said.

The Census Bureau said almost 20m. families were below the government-defined poverty level of \$5,500 for a nonfarm family of four. The number of families in poverty was the largest since the 27.8m. in 1967, when the poverty level was \$3,410. The 1975 figure represented 12 per cent, or nearly one out of every eight families.

The poverty income is set by comparing the cost of a basic adequate diet and multiplying that by three, based on the government finding that poor people spend one-third of their income on food. The 1975 poverty level works out to \$106 per week. By comparison, the average wage of factory workers was \$163 per week.

About 25 per cent of all the families in the country had an income of less than \$8,000 (the poverty line is \$5,500). Earned one quarter of families just \$20,000 or more last year, while nearly half the number of families — 44 per cent — earned more than \$15,000, the report said.

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Scoreboard of Israel's economy

By SCOTT THOMAS
Special to The Jerusalem Post

The economy in Israel is in serious straits. Inflation is rampant, the trade deficit is enormous, and economic recovery is very slow.

Growth in industrial production, although strong over a twelve-month period at 10.4 per cent, fell significantly during the last three months of that period to an annual rate of only 4.5 per cent. This reflects the end of the general upturn in Western economies during late 1975 and early 1976, as industries began to re-use capacity which had been cut back during the recession. Growth then flourished as industries began to approach full pre-recession capacity.

A second surge in industrial production is unlikely for Israel due both to the extremely high tax rate, which hampers re-investment of profits, and to low worker productivity. Increases in agricultural yield have continued with improved technology, but increases in industrial yield also require high worker productivity.

Agriculture's share of the total work force fell from 18 per cent to 6.5 per cent since 1950, while yield increased dramatically. But the liability of low worker productivity is felt heavily in industry, where the labour force has increased from 22 per cent to 25 per cent since 1950. So, although the tax allowances for export commodities benefit both agriculture and manufacturing, agricultural production is likely to advance more rapidly into the European market than industrial production.

Unemployment, though growing, is kept comparatively low at 3.1 per cent. This is due to job tenure and the expansion of government services, where the share of the total labour force has increased from 21 per cent to 25 per cent since 1950. Productivity could be higher, as indicated by the experience of the 1973 war, when 15 per cent of the cream of the labour force was fighting and yet production only fell 5 per cent.

The trade deficit is extremely high again this year so far, although there may be some decrease over last year. Military expenditures, accounting for fully 33 per cent of the gross national product in 1975, have a lot to do with this, as do imports of oil and manufactured goods, despite steep tariffs on the latter.

Consumer prices rose fully 37.2 per cent during the past 12 months, with wages rising 20.5 per cent during the 12 months ending in March. Wages were rising at a faster rate during the last three recorded months, indicating a rise in line with inflation. Over the summer, consumer prices rose at a lower rate (26 per cent annually), but this fall is expected to end with a sharp jump in prices following the October devaluation. Devaluation cut the value of the pound from IL2.24 to IL3.90 per dollar in the last year, further increasing the cost of imports to the consumer. Unsubsidized consumer items such as cinema tickets or haircuts have doubled in cost over the past year. As the Government continues to cut subsidies on essential commodities, the cost of basic consumer items can also be expected to rise more quickly.

The amount of money in circulation was increased by 13.4 per cent over the past year, as the Government spent money faster than it took in taxes. There is a law which restricts the Government to writing cheques only when funds are available. This has induced a tradition of arrears in government payments of from five to six months. Suppliers and contractors must take into account that during this waiting period the value of their contract will decrease with inflation and devaluation, so they bid higher accordingly.

Commercial banks have loaned more than the law permits, and in order to allow the continuation of such policies the Bank of Israel has financed loans so that these banks can avoid the consequent fines. These policies are highly inflationary.

A comprehensive economic plan to break the downward trend in the Israeli economy would have to centre on four basic elements: balancing the budget, reducing the number of government employees, increasing worker productivity, and providing sufficient incentives to industry to finance re-investment and to spark an upsurge in industrial growth.

The writer, a recent immigrant from the U.S., studied political science at the University of California, where he also did research on American oil companies.

Diamond exports up 22 per cent

RAMAT GAN.—Diamond exports have increased 22 per cent during the first eight months of 1976 over the same period of last year, the Israel Diamond Institute announced yesterday. Exports came to 778,000 carats, worth \$428m.

The leading buyers of polished gem diamonds from Israel were (in round figures): U.S.—\$140m., Hong Kong—\$32m., Holland—\$25m., Japan—\$18m., Belgium—\$13m., Switzerland—\$12m., West Germany—\$11m., France—\$10m., U.K.—\$10m., Singapore—\$8.5m.

According to the Diamond Institute, about 80 per cent of the diamond factories in Israel are now using new, automated equipment. The industry is thus well ahead of other cutting centres in the world.

Holiday-in-Israel flights for U.S. soldiers in Europe

The holiday-in-Israel charter flights for American servicemen and their dependents in West Germany are to be extended to include men stationed in Britain and Turkey.

Kopel Tours, which together with El Al had introduced the programme this July in West Germany — where the U.S. military population totals half a million — yesterday announced that the decision to include the U.K. and Turkey was prompted by the good reception in Germany. About 250 servicemen from Germany have come on the tour, so far. Some 1,000 visitors are expected in the first year of the expanded scheme.

There are 50,000 U.S. servicemen and families in Britain, and 25,000 in Turkey.

World financiers meet in Manila

MANILA.—More than 3,000 of the world's leading financiers will gather here on Monday (Tom Kippur) when the directors of the World Bank and the International Monetary Fund (IMF) hold their joint annual meeting.

Marketing 25 m. ounces of gold by the IMF to provide a special fund for helping poor countries' balance of payments will be a priority item of the meeting, which has been held outside the U.S. headquarters of the two organizations every three years.

Participants in the meeting will include heads of the world's richest private banks and governors of the most powerful central banking systems. But the meeting is not for capitalists only: there will also be representatives from Communist-led countries. Vietnam will attend, as will neighbouring Laos. Also in attendance will be Rumania and Yugoslavia, which is bidding for the next overseas meetings in 1979.

Pressure has increased on the World Bank and the IMF to assist the poorer countries, though IMF officials insist their main job is to police the world's money system. (AP)

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New system for grading hotels

By GEORGE LEONOF
Jerusalem Post Reporter

The Tourism Ministry's Consultative Council on Hotels has appointed a subcommittee charged with evolving a new system of classifying hostels approved for tourists.

The new system would replace the present one, under which about 300 approved hotels receive gradings of from one to five stars.

The council, in recommending the change to the Ministry's directorate, said the new gradings would more accurately reflect the actual accommodation and services offered by a hotel. It was noted that other countries, some of them recognized tourist destinations, have abandoned the "star" system.

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Maverick arguments

THE CATALOGUE OF SAUDI ARABIAN arms purchases from the West — mainly from the U.S., but also from Britain and France — over the past two years alone makes for some breathtaking reading. It is safe to say that a similarly huge accumulation of deadly, modern weapons in so short a space of time has not been experienced by any other country with a pool of skilled manpower resembling Saudi Arabia's.

A resolution approved by the Foreign Relations Committee of the U.S. Senate last week would allow the Ford Administration to sell the Saudis a hefty new arms package which includes 850 Sidewinder air-to-air missiles and 1,000 Tow anti-tank missiles. There was only one item in the list submitted by the Administration on which the Committee turned thumbs down — 650 Maverick air-to-ground missiles.

As a senior member of the Committee, Republican Senator Clifford Case, pointed out, the Mavericks were offensive in nature, and the Saudis had no legitimate need for more of them besides the 1,000 already contracted for from the U.S.

The Senators who were thus attempting to block the sale of the Mavericks were doubtless well aware of official arguments for the ratification of the original list — from the strange claim that Saudi Arabia needed all those arms for self-defence against hostile neighbours, such as South Yemen and Iraq, to the more sober contention that the Saudis, who had never massively joined the war with Israel and were consistently opposed to the spread of Soviet influence, represented the moderate forces in Arab politics.

But the Senators were equally aware that a large portion of the weapons earmarked for Saudi Arabia — not, indeed, of the Mavericks alone — were bound to find their way into the hands of the Arab "confrontation states." In barring the Mavericks deal, the U.S. legislators were in effect attacking a policy which was certain to undermine the Middle East power balance — and to place Israel in jeopardy — though ostensibly aiming to maintain regional stability.

Now, by a clever parliamentary ploy, the Administration has virtually made it certain that the offending Senate resolution would fall through, and the Saudis would be mollified. In the House of Representatives, meanwhile, the Administration has been working for the defeat of the anti-boycott Rosenthal-Bingham amendment, which is similarly offensive to the Saudis.

The U.S. has an understandable stake in the friendship of Saudi Arabia — an important oil supplier, wielder of petrodollars, and owner of a vast tract of strategically valuable desert. The actual pattern of relations between the two countries, however, often fails to clarify where, when all is said and done, real power resides.

Targets for criticism

THE BEST THAT CAN BE SAID for yesterday's two-hour strike of some Arab local councils to protest the "Koenig memorandum" is that it passed without any untoward incidents. At the same time it is hard to fathom what useful purpose was supposed to be served by that ill-chosen tactic.

Ever since its unofficial publication, three weeks ago, the six-month-old memorandum composed by the Interior Ministry's representative in Galilee has been the subject of forceful comment all around the country, especially within the Jewish community. The proposals set out in it did, it is true, win some support from a number of Jews, notably in Galilee, which is nearly half Arab. Yet it is no exaggeration to say that the overwhelming majority of the Jewish public, as reflected in the media, and in statements by political leaders, unreservedly repudiated Mr. Koenig's call for deliberate measures to reduce the share of Arabs in Israel's overall population.

Prime Minister Yitzhak Rabin dismissed the document as lacking any authority, and put it on record again that any idea of discrimination among Israeli citizens is utterly repugnant to the country's beliefs and laws. Mr. Koenig's own superior, Interior Minister Yosef Burg, dissociated himself from the paper, and so did, in even stronger terms, Dr. Burg's NRP colleague in the Cabinet, Religious Affairs Minister Yitzhak Rabin. The Likud opposition, albeit somewhat ambiguously, denounced the release of the memorandum as a service to Israel's enemies in the world arena. Opposition was voiced by Gush Emunim, too, whose notion of the possible co-existence of Jews and Arabs over the entire expanse of Eretz Yisrael was, of course, undermined by the Koenig proposals.

It is regrettable that the Government has not seen fit to act on the suggestion of this newspaper, among others, that as author of the memorandum named after him, Mr. Yisrael Koenig ought to be found a different post from his present one as Northern District Representative in the sensitive area of Galilee. Arab local officials there should not be obliged to clear their budgets with a man whose attitudes they view as execrable.

But yesterday's strike by some Arab local councils made it appear that the "Koenig memorandum" against which it was held, represented official policy, which is manifestly not the case. The strike thus gave aid and comfort to extremist elements, who were indeed out to exploit it as an occasion for another anti-Government demonstration; and it called forth expressions of support from the West Bank and the Gaza Strip, where the visions could easily be conjured up of a united Palestinian people battling Jewish Israel.

The Arabs of Israel, unlike their brethren in most countries of the Middle East, are of course fully entitled to criticize their Government, whenever the spirit moves them. But the specific targets of criticism, and the manner of expressing it, should preferably be selected with greater appropriateness than they were through the medium of the local councils' strike yesterday.

Dry Bones

THE TERRORISTS TRIED TO PULL OFF A MASSACRE IN DAMASCUS... AND BY THE NEXT MORNING THEY HAD BEEN TRIED, SENTENCED, AND STRUNG UP!

GEE WHATEVER HAPPENED TO THE TERRORISTS WHO ATTACKED THE ISRAELI PASSENGERS IN TURKEY?

I THINK THEY PROMISED TO STAND TRIAL NEXT TIME THEY'RE IN ANKARA...

YEVGENY YETUSHENKO'S famous poem "Babi Yar" and Anatoly Kuznetsov's novel about the mass grave in Kiev came in the wake of the protest of Viktor Nekrasov. Nekrasov spoke out before the rise of the Jewish movement in the USSR, at a time when no Jewish voice was yet heard.

Nekrasov's protest against the official decision in 1953 to build a park and stadium at Babi Yar took the form of written protests and invitations to foreigners to come and see the spot, which Nekrasov also photographed.

Ten years ago, on the anniversary of the massacre, Nekrasov, as was his custom, went to the Jewish grave to pay tribute to the victims buried there. Although Soviet police were there, many people embraced him, and he responded with a speech that greatly moved his audience. Thus was born the tradition of Jews visiting Babi Yar.

The authorities stopped construction in the area, and placed a memorial stone on the grave. Prof. Ilya Goldenfeld, now at the Hebrew University, says that credit for this goes mainly to Nekrasov.

This was not his only deed in support of Soviet Jews. Nekrasov opened his home to Alexander Feldman, the engineer and ally active, who was being persecuted by the KGB, and he took an active part in the defence of Feldman and Semyon Giusman during their trials.

Nekrasov was born in 1911, a descendant of Russian nobility. He completed university training in architecture and he also studied acting. Until the outbreak of the war with Germany, Nekrasov worked as an actor in Soviet provincial theatres. During the war, he served as a military engineer and took part in the battle of Stalingrad. After the war he began his career as a journalist.

The year 1947 was decisive for him. His novel, "In the Trenches of Stalingrad," was awarded the Stalin Prize — then the greatest literary honour in Russia. Almost all the works awarded the Stalin Prize after the war were rubbish written to please official taste. Nekrasov's novel was a rare exception.

He spoke up for Babi Yar

In 1959, Viktor Nekrasov was a famous writer living in Kiev, when the authorities decided to transform the mass grave at Babi Yar into a park and sports stadium, this apparently in line with Soviet policy of removing from Jewish consciousness any martyrological elements that might sustain it. Nekrasov alone raised his voice in protest. Writing in "Literaturnaya Gazeta," he demanded a memorial at Babi Yar. Today, on the 35th anniversary of the machine-gunning of over 33,000 Jews at Babi Yar, Nekrasov is in Israel on a visit. MIKHAIL AGURSKY writes about him.



Viktor Nekrasov



Sonderkommando in action on the Eastern Front.

please official taste. Nekrasov's novel was a rare exception.

It was written when the background of war was the only one against which a Soviet writer could depict human conflict and suffering.

Everything in that vein was taboo under the strictures of so-called "socialist realism." Nekrasov succeeded in writing about the natural behaviour of people during war. (One of his characters was a

Jewish officer named Farber who unlike others felt no danger in battle and could remain motionless under direct fire.)

Nekrasov's writing set a model for other Soviet writers. His book had

cracked the wall of Soviet and showed that if an an subject of war he c truth about human life, who followed his lead Panova, Emmanuel Vasily Bykov, and Simonov.

He was one of the Soviet writers. Among which found a wide an "In One's Hometown," "Second Night" (1961) Maria, or Why I Came ing Ball" (1962). Early however, he fell at authorities. In 1947, pointed secretary of the tion of the Union of Writers, but he soon ha the post for refusing to the slanderous official campaign, euphemisti the campaign against r writers and critics.

He not only refused to against the Jews, but he as much as possible. T Kiev officials for Nekr strong that his books published in that city an translated into Ukraini.

When the Soviet regi campaign against Solzhenitsyn, Nekrasov those who openly defea KGB thereupon starte against Nekrasov. The trail him, and he w several times.

Living in the USSR bearable for him, for permission to emigr soon granted it. He Paris, where he is a de the new international "Kontinent" (the first of which was review Jerusalem Post on Augu tent," which is edited East European and Wes trials, is also published German, French, and

Nekrasov is one of teemed representatives, cond Russia," the one tively divorced from barbarian, anti-Jewish. Welcome to Isra Nekrasov...

READERS' LETTERS

THE CASE FOR PRIVATE CHARTER COMPANIES

To the Editor of The Jerusalem Post

Sir, — For years, we have followed the Israeli aviation scene and the quarrel about charter flights in particular. During all these years and even nowadays, we are very much surprised to find, in Israel, the widely held opinion that what's good for El Al is also good for the country and its national economy. In our opinion this is not so:

1. If we (or others) were free to organize passenger charter flights to and from Israel, we could offer a seat price for a flight Zurich-Tel Aviv-Zurich or Tel Aviv-Zurich-Tel Aviv for less than \$100 with similar prices to and from other Central European cities. Why should the Israeli citizen, for whom almost everything is anyway expensive enough, not make a trip Tel Aviv-Athens-Tel Aviv on a charter flight for \$45 so that El Al should have a loss of "only" \$15m.?

2. With regard to Agrexco's problem of exporting its products by air to Europe as cheaply as possible, let us tell you how your Egyptian neighbours solve this problem: Egyptian does not object to cargo charter operations for these goods; therefore the "Union Maritime Egyptienne" — Agrexco's counterpart — is free to charter space on the free market which they did last year on a basis of \$280-300 per ton for the almost identical stretch Cairo-Egypt. In other words Agrexco's Egyptian competitor on the European vegetable market paid less than half the price for transportation charged by El Al. We could have offered Agrexco similar conditions, had El Al not objected.

3. We know that El Al "arranged" cargo charter flights for Israeli exporters of other than agricultural products at almost double the price they could have obtained on the free charter market. We know of cases when the sale was cancelled because of El Al's high price.

4. Switzerland is a country which is not much larger than Israel and certainly no less dependent on tourism and exports. In 1974, Swissair made

a net profit equivalent to \$133m. and in 1975 \$151m. Swissair did not make this profit because "the country is too small for any other carrier aside from the national one and monopoly is a necessity," as El Al argues. There are three Swiss charter companies aside from Swissair: Swissair never pressed civil aviation for protection, and civil aviation turned down only three applications out of 1750 for landing rights for charter flights.

If El Al had wanted to enter the charter business it could have done so long ago and could have established a charter subsidiary as many IATA members did. Had El Al done so, Israel would have been forced to grant foreign charter carriers rights of reciprocity. This is exactly what El Al did not want. Now the situation has changed and El Al is under pressure, and rightly so. Competition is healthy, and for El Al in particular.

In closing, we wish to say that we are happy that the Israel Government decided to grant an operating licence to Motti Rodi's Cargo Air Lines Ltd. (CAL). It is a first step to a healthier situation for Israel's economy and we hope there will also be a private Israeli passenger charter airline in the near future.

MICHAEL DYM
Air Transport Consultants AG,
Zurich.

EL AL REPLIES:
The charter issue — as far as Israel is concerned — was debated at length and thoroughly investigated by the Israel Government, which subsequently issued detailed instructions on the subject. El Al is strictly adhering to these government instructions and will continue to do so in the future.

As to the ideas expressed by Mr. Dym on the subject of air export of agricultural products, Agrexco is free to send its produce with whichever carrier they prefer, and all or most agricultural products are being sent by Agrexco through CAL.

E. LARSEN
El Al Spokesman
Ben-Gurion Airport.

VOLUNTEERS FOR ZAHAL

To the Editor of The Jerusalem Post
Sir, — Due to the success of the Women Volunteers to Zahal Organization, we have established a Jerusalem section, thus greatly reducing the time needed for necessary travelling. Our efforts are devoted to whatever tasks Zahal deems appropriate and essential. Happily we have found that men are also interested in participating in the work, some of which is too strenuous for women.

Our groups volunteer for two-week periods (not inclusive of Fridays and Saturdays) and there is no age limit. Each group member, upon his return home in the early afternoon, is tired but has a feeling of gratification and accomplishment.

All potential volunteers in Jerusalem who wish more information should contact our office at 38 Jaffa Road (Tel: 223-395), which is open in the mornings on Mondays and Wednesdays from 9-12 a.m., and in the afternoons on Mondays and Tuesdays from 4-6 p.m.

KATI COHEN
Jerusalem Station,
Women Volunteers to Zahal
Jerusalem.

THE BANK OF ISRAEL

To the Editor of The Jerusalem Post
Sir, — The article by Haseel on the new appointee as Governor of the Bank of Israel (September 18) is more than disquieting, but it is too late to revoke the appointment. I believe it is important that something should be done to remedy the situation, and it can be done.

The Bank of England is managed by a Governor (recruited from the merchant banking community) and a Board of Directors.

The central banking authority in the U.S. (known as the Federal Reserve System) is managed by a Board of Governors, appointed by the President and confirmed by the Senate.

Compared with these imposing bodies, we in Israel have merely an Advisory Committee and Council. They should be replaced immediately by a board, based on either the British or American system.

By taking this important step, the Government would strengthen the standing of the Bank of Israel and its Governor and, most importantly, ensure that bodies like the International Monetary Fund would have more confidence in the credibility of Israel's central bank.

DAVID FREEMAN
Haifa

THE ISRAEL ECONOMIST

August-September 1976
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THE JERUSALEM
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THE ISRAEL COUNCIL FOR ISRAELI-PALESTINIAN PEACE

NOTICE

Following inaccurate reports in the media concerning activities of several members of the executive committee of the Israel Council for Israeli-Palestinian Peace, the committee has released this statement:

1. The Council is a Zionist body established to further the cause of peace between Israel and the Palestinian people, on the basis of mutual recognition of Israel's right to exist as the sovereign state of the Jewish people returning to its homeland and of the right of the Palestinian people to self-determination and to its own state alongside Israel.
2. In order to achieve its purposes, the Council has devoted considerable and unceasing efforts to present its position to the Israeli public as well as to the Palestinian public. Continuous contacts with individual Palestinians in the territories and abroad have convinced the Council that a turning towards peace, in the spirit of the Council's principles, as proclaimed in its manifesto, is acceptable to considerable portions of the Palestinian public.
3. Encouraged by these developments, the Council decided to widen as much as possible its contacts with Palestinian elements in the territories and throughout the world. Contacts such as these were not hidden from the public. The Council does not reject contacts aimed at attaining its goals with persons in the P.L.O., in order to examine the possibility of progress towards mutual recognition.
4. As a result of the situation, such contacts entail the mediation of Jews and non-Jews throughout the world. The Council does all it can to make use of the good offices of such people, to further understanding between Israel and the Arab-Palestinian people.
5. Because of the special nature of these contacts, success at this stage depends on the non-disclosure of names of those individuals prepared to offer their services and of the names of others willing to play a role in this important mission.
6. Our experience thus far has strengthened our convictions that peace between Israel and the Palestinian people is possible on the basis of mutual recognition. However, we are presently unable to report on the results of these contacts and talks. We hope that we will be able to do so in the not too distant future. At the same time, we hope that the day will soon come when the Israel Government will understand that recognition of the rights of the Palestinian people will advance the chances for peace and for Israel's security.

EXECUTIVE COMMITTEE

P.O.B. 39634, TEL AVIV

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